Income Tax - Terminated Enterprise Zone Areas (Extended Credits)

Our corporation applied for extended enterprise zone credits when the area of the zone in which the business was located was terminated. Now the corporate entity has changed due to merger, reorganization or sale. Are the extended credits available to the new entity?

No. The extended credits are available only to the taxpaying entity that existed in the enterprise zone and filed the application for the extended credits. There is no provision for the transfer of those "grandfathered" credits to a subsequent related entity.